

WorldCom, Inc. - Submission to ICC Wholesale Measure Rulemaking Workshop, Part 731, Docket No. 01-0539

WHOLESALE SPECIAL ACCESS

WorldCom has red-lined the proposed edits submitted by GVNW on March 22, 2002 by (1) adding a definition of Special Access that is consistent with the definition contained in the Joint Competitive Industry Group (including large and small CLECs, ALTS, and CompTel) filing submitted January 22, 2002 to the FCC in response to the Commission's Notice of Proposed Notice of Rulemaking in CC Docket No. 01-321; (2) revising the definition of "Wholesale Special Access;" and (3) stating in Section 731.305 that Level 1 carriers shall include Wholesale Special Access Services in their Wholesale Quality Service Plans. In all other respects, WorldCom concurs with GVNW's proposed rule. WorldCom also provides the following justification for including performance measurement of only the Wholesale Special Access services provided by Level 1 carriers.

AMERITECH, VERIZON AND OTHER INCUMBENT LECS REMAIN THE DOMINANT PROVIDERS OF "LAST-MILE" FACILITIES

Incumbent LECs like Ameritech and Verizon are still overwhelmingly dominant in the provision of all last-mile facilities, whether a competing carrier must order Verizon's facilities as UNEs, or EELs, intrastate Special Access, or -- most often, because of the FCC's rules -- as interstate Special Access. No matter what the regulatory designation, these circuits are functionally equivalent.

Competing carriers are and will remain dependent on the ubiquitous "last mile" facilities of large incumbent LECs like Ameritech and Verizon to compete for larger-volume business and government customers. While large carriers like WorldCom have built some facilities, it simply has not been economically efficient for any competitor to duplicate incumbent LEC networks. And, given the current

state of the economy in general and the telecommunications sector in particular, capital funding has either become so scarce or so costly that the ability of companies to continue to build out their networks to compete with incumbent LECs is seriously constrained. Even larger companies like WorldCom have been forced to reduce capital expenditures and, therefore, construction of new facilities.

WorldCom looks first to its own facilities to serve a customer. If no “on-net” facilities are available, then an attempt is made to find another carrier with available facilities. The first choice is another competitive access provider (CAP), simply because CAP services are generally priced lower than incumbent LECs’ Special Access services, which are not incremental cost-based. If there are no other competing providers available, then service must be ordered from the incumbent LECs, whose facilities are the most ubiquitous. In fact, WorldCom must depend on incumbent LECs to meet 90% of its “off-net” facilities needs. Despite a company policy favoring aggressive use of CAPs and other CLECs, in reality only about 10% of WorldCom’s “off-net” requirements are met by other CAPs or CLECs.

Even in New York, arguably the most competitive market in the U.S., the New York Public Service Commission found that Verizon is overwhelmingly dominant in the provision of “Special Services.” The NYPSC upheld this finding on reconsideration after gathering data from all carriers operating in New York, with the results showing that “Verizon serves over 79.5% of the statewide market ...”¹

A similar analysis for Illinois would show that Ameritech and Verizon likely serve an even larger percentage of the statewide market. As such, Ameritech

¹ New York Public Service Commission, Case 00-C-2051 - *Proceeding to Investigate Methods to Improve and Maintain High Quality Special Services Performance by Verizon New York Inc.* Opinion And Order Denying Petitions For Rehearing And Clarifying Applicability Of Special Services Guidelines, December 20, 2001, at p. 10.

and Verizon's Special Access facilities represent a key factor in the development of competition to meet the critical telecommunications needs of business and government customers in Illinois, and are essential to the state's economy. The numbers of special access circuits served by Ameritech and Verizon in Illinois are available on the Federal Communications Commission's website. The special access circuits reported for calendar year 2000 are listed at the end of these comments along with a description of how to locate the reports.

For all of the foregoing reasons, there is a need to include measurement of Ameritech's and Verizon's (Level 1) dominant wholesale Special Access services, but there is no justification for subjecting the provision of non-dominant Special Access services by CLECs/IXCs to each other or to wireless carriers under the proposed Part 731 rules.

AMERITECH AND VERIZON ILLINOIS SPECIAL ACCESS CIRCUITS

Go to FCC website at <http://www.fcc.gov>. Go to the Automated Regulatory Management Information System (ARMIS) section of website. Go to "Run The Database Application" and click on "Primary Link." That will take you to ARMIS data retrieval system. Go to "43-08 Tables" and click on "Ill. Access Lines In Service By Customer." There are eleven different categories of access lines in service by customer listed. The following information is gleaned from a search on ARMIS for the year 2000 under the category "dl. Special Access Lines (non-switched): Digital"

<u>Year</u>	<u>COSA</u>	<u>Company</u>	<u>sub</u>	<u>row</u>	<u>row</u>	<u>title</u>	<u>Spec Access</u>
2000	LBIL	Illinois Bell	02	240	Illinois	3486761	
2000	GTMW	Verizon North,					
		Inc.	02	240	Illinois	168151	
2000	GTSO	Verizon South,					
		Inc.	02	240	Illinois	2404	

The information for the year 2000 under the category "dk. Special Access (non-switched): Analog" is as follows:

<u>Year</u>	<u>COSA</u>	<u>Company</u>	<u>sub</u>	<u>row</u>	<u>row</u>	<u>title</u>	<u>Spec Access</u>
2000	LBIL	Illinois Bell	02	240	Illinois	110804	
2000	GTMW	Verizon North,					
		Inc.	02	240	Illinois	5676	
2000	GTSO	Verizon South,					
		Inc.	02	240	Illinois	243	